

House File 577 - Introduced

HOUSE FILE 577

BY BROWN-POWERS and WILLIAMS

A BILL FOR

1 An Act relating to substance use disorder services and
2 reimbursement, and including effective date provisions.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 DIVISION I

2 INTEGRATED PROVIDER NETWORK PROVIDERS — REIMBURSEMENT

3 Section 1. INTEGRATED PROVIDER NETWORK PROVIDERS —
4 MEDICAID PROVIDERS — REIMBURSEMENT. The department of
5 human services shall establish an integrated provider network
6 provider as a participating provider type under the Medicaid
7 program comparable to the integrated provider network providers
8 under contract with the department of public health. The
9 department shall designate and utilize the Medicaid community
10 mental health center enhanced fee schedule as the minimum
11 reimbursement for services provided by Medicaid integrated
12 provider network providers.

13 Sec. 2. EMERGENCY RULES. The department may adopt emergency
14 rules under section 17A.4, subsection 3, and section 17A.5,
15 subsection 2, paragraph "b", to administer the provisions of
16 this division. Any rules adopted in accordance with this
17 section shall also be published as a notice of intended action
18 as provided in section 17A.4.

19 Sec. 3. EFFECTIVE DATE. This division of this Act, being
20 deemed of immediate importance, takes effect upon enactment.

21 DIVISION II

22 BEHAVIORAL HEALTH SERVICES — REIMBURSEMENT

23 Sec. 4. SUBSTANCE USE DISORDER — INTENSIVE OUTPATIENT AND
24 RESIDENTIAL TREATMENT — REIMBURSEMENT.

25 1. For the fiscal year beginning July 1, 2019, the
26 department of human services shall establish reimbursement
27 rates for substance use disorder intensive outpatient and
28 residential treatment services provided under a Medicaid
29 1915(b)(3) waiver in alignment with the reimbursement rates
30 provided for the same services under the substance abuse
31 prevention and treatment block grant awarded by the United
32 States department of health and human services substance abuse
33 and mental health services administration and administered by
34 the department of public health.

35 2. The department of public health in collaboration

1 with the department of human services shall review and make
2 recommendations for Medicaid 1915(b)(3) waiver reimbursement
3 rates for substance use disorder intensive outpatient and
4 residential treatment services using a projected cost report
5 agreed upon by the departments and the integrated provider
6 network providers. The departments shall establish time frames
7 for release of the agreed-upon projected cost report form to
8 providers and the deadline for submission of the completed
9 projected cost reports by providers to the departments, in
10 order to allow sufficient time for review and the making of
11 recommended adjustments to the Medicaid 1915(b)(3) waiver
12 reimbursement rates for Medicaid integrated provider network
13 providers effective January 1, 2020.

14 3. The department of public health in collaboration with the
15 department of human services and behavioral health providers
16 shall review reimbursement rates for behavioral health services
17 and Medicaid 1915(b)(3) waiver services using the projected
18 cost report agreed upon by the departments and the integrated
19 provider network providers. The departments shall establish
20 time frames for release of the agreed-upon projected cost
21 report form to behavioral health providers and the deadline
22 for submission of the completed projected cost reports by
23 behavioral health providers to the departments, in order to
24 allow sufficient time for the departments to review and make
25 recommended adjustments to the Medicaid 1915(b)(3) waiver
26 reimbursement rates and the behavioral health services fee
27 schedule effective July 1, 2020.

28 4. The department of public health in collaboration with the
29 department of human services shall establish an ongoing plan
30 for regular review of reimbursement for substance use disorder
31 treatment and to provide information to the governor and the
32 general assembly in a timely manner to allow for provision of
33 appropriate funding for any change in reimbursement.

34 Sec. 5. EMERGENCY RULES. The department may adopt emergency
35 rules under section 17A.4, subsection 3, and section 17A.5,

1 subsection 2, paragraph "b", to administer the provisions of
2 this division. Any rules adopted in accordance with this
3 section shall also be published as a notice of intended action
4 as provided in section 17A.4.

5 Sec. 6. EFFECTIVE DATE. This division of this Act, being
6 deemed of immediate importance, takes effect upon enactment.

7 DIVISION III

8 MEDICATION-ASSISTED TREATMENT

9 Sec. 7. MEDICATION-ASSISTED TREATMENT — PRIOR
10 AUTHORIZATION PROHIBITED. The department of human services
11 shall adopt rules pursuant to chapter 17A that prohibit prior
12 authorization for medication-assisted treatment under both
13 Medicaid fee-for-service or managed care administration.
14 The department of human services shall also include this
15 prohibition in any contract entered into with a Medicaid
16 managed care organization. For the purposes of this
17 section, "medication-assisted treatment" means the medically
18 monitored use of certain substance use disorder medications in
19 combination with other treatment services.

20 Sec. 8. EMERGENCY RULES. The department may adopt emergency
21 rules under section 17A.4, subsection 3, and section 17A.5,
22 subsection 2, paragraph "b", to administer the provisions of
23 this division. Any rules adopted in accordance with this
24 section shall also be published as a notice of intended action
25 as provided in section 17A.4.

26 Sec. 9. EFFECTIVE DATE. This division of this Act, being
27 deemed of immediate importance, takes effect upon enactment.

28 DIVISION IV

29 SUBSTANCE USE DISORDER ADVISORY PANEL

30 Sec. 10. SUBSTANCE USE DISORDER ADVISORY PANEL. The
31 department of public health in collaboration with the
32 department of human services shall establish a substance use
33 disorder advisory panel to review access to substance use
34 disorder services and to resolve barriers to access. The
35 members of the advisory panel shall include but are not

1 limited to representatives of hospital-affiliated substance use
2 disorder treatment programs, the integrated provider network,
3 and others with interest or expertise in substance use disorder
4 treatment services and reimbursement.

5 DIVISION V

6 MEDICAID WAIVER OPPORTUNITIES

7 Sec. 11. MEDICAID WAIVER OPPORTUNITIES. The department of
8 human services in collaboration with the department of public
9 health shall review opportunities including application for
10 the federal Medicaid 1115 demonstration waiver or amendments
11 to the existing federal Medicaid 1915(b) waiver to enhance
12 access to and reimbursement for substance use disorder
13 treatment services. The departments shall report findings and
14 recommendations to the governor and the general assembly by
15 October 1, 2019.

16 EXPLANATION

17 The inclusion of this explanation does not constitute agreement with
18 the explanation's substance by the members of the general assembly.

19 This bill relates to substance use disorder services and
20 reimbursement.

21 Division I of the bill requires the department of human
22 services (DHS) to establish an integrated provider network
23 provider as a participating provider type under the Medicaid
24 program comparable to the integrated provider network providers
25 under contract with the department of public health (DPH).
26 The bill requires DHS to designate and utilize the Medicaid
27 community mental health center enhanced fee schedule as
28 the minimum reimbursement for services provided by Medicaid
29 integrated provider network providers. The division provides
30 for emergency rulemaking and takes effect upon enactment.

31 Division II of the bill relates to reimbursement of
32 behavioral health services. The bill requires that for
33 the fiscal year beginning July 1, 2019, DHS shall establish
34 reimbursement rates for substance use disorder intensive
35 outpatient and residential treatment services provided under a

1 Medicaid 1915(b)(3) waiver in alignment with the reimbursement
2 rates provided for the same services under the substance abuse
3 prevention and treatment block grant administered by DPH.
4 Additionally, Division II requires DPH in collaboration with
5 DHS to review and make recommendations for Medicaid 1915(b)(3)
6 waiver reimbursement rates for substance use disorder intensive
7 outpatient and residential treatment services using a projected
8 cost report agreed upon by the departments and the integrated
9 provider network providers. The departments are required
10 to establish time frames for release of the agreed-upon
11 projected cost report form to providers and the deadline
12 for submission of the completed projected cost reports by
13 providers to the departments, to allow sufficient time for
14 review and adjustments to reimbursement rates for Medicaid
15 integrated provider network service providers effective January
16 1, 2020. Division II also requires DPH in collaboration with
17 DHS and behavioral health providers to review reimbursement
18 rates for behavioral health services and Medicaid 1915(b)(3)
19 waiver services using the projected cost report agreed
20 upon. Again, the departments shall establish time frames and
21 deadlines for the cost reports to allow sufficient time for
22 the departments to review and make recommended adjustments to
23 the reimbursement rates and the behavioral health services
24 fee schedule effective July 1, 2020. Finally, the division
25 directs DPH in collaboration with DHS to establish an ongoing
26 plan for regular review of reimbursement for substance use
27 disorder treatment services and to provide information to the
28 governor and the general assembly in a timely manner to allow
29 for provision of appropriate funding for the next fiscal year.
30 The division provides for emergency rulemaking and takes effect
31 upon enactment.

32 Division III of the bill requires DHS to adopt
33 administrative rules to prohibit prior authorization for
34 the provision of medication-assisted treatment under either
35 Medicaid fee-for-service or managed care administration.

1 The division also requires DHS to include this prohibition
2 in any contract entered into with a Medicaid managed care
3 organization. Under the division, "medication-assisted
4 treatment" means the medically monitored use of certain
5 substance use disorder medications in combination with other
6 treatment services. The division provides for emergency
7 rulemaking and takes effect upon enactment.

8 Division IV of the bill requires DPH in collaboration
9 with DHS to establish an advisory panel to review access to
10 substance use disorder services and to resolve barriers to
11 access. The members of the advisory panel include but are not
12 limited to representatives of hospital-affiliated substance use
13 disorder treatment programs, the integrated provider network,
14 and others with interest or expertise in substance use disorder
15 treatment services and reimbursement.

16 Division V of the bill directs DHS in collaboration with
17 DPH to review opportunities including application for a
18 federal Medicaid 1115 demonstration waiver or amendments
19 to the existing federal Medicaid 1915(b) waiver to enhance
20 access to and reimbursement for substance use disorder
21 treatment services. The departments shall report findings and
22 recommendations to the governor and the general assembly by
23 October 1, 2019.